

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency  
Washington, DC 20250

Notice TB-1281

**For:** Tobacco State and County Offices

**Preparing for FY 2014 TTPP Annual Payments**

**Approved by:** Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

Notice TB-1280 announced the individual contract holders will receive 95 percent of the annual installment in February 2014, with the 5 percent balance being disbursed in FY 2015 beginning in October 2014. The FY 2014 TTPP annual payment cycle is scheduled for processing on **February 10, 2014**. Implementation of the sequestration reduction to the TTPP system has required TTPP to remain offline. Because TTPP has been offline, the normal prepayment procedures will **not** take place.

In an effort to assist the Field Offices with the preparation and monitoring of the initial 95 percent of the FY 2014 TTPP payments, the TTPP system will be available for only 1 day, **February 12, 2014**, to access reports required for the review of the 2014 TTPP payments. The TTPP system will be brought back down by COB on **February 12, 2014**. The system will be fully restored after all required software applications have been placed into production. A future notice will be issued with further instructions.

**Important:** County Offices are **not** authorized to access **any** other applications within TTPP while the system is up to run reports.

The TTPP Assignment Report, the TTPP Selection Register, the Contract Status Report, and the Payment Status (also displayed as Payment Reconciliation) Report will be used in preparation to certify and sign FY 2014 TTPP payments. The TTPP Assignment Report, available in the Financial Web Application Data Mart (FWADM), provides a complete list of all TTPP assignments for all years. The Contract Status Report will provide users with a complete list of all CCC-955/CCC-956's in "Approved (AP)" or "In-Dispute (DI)" status. The Payment Status (Payment Reconciliation) Report provides detailed information for CCC-955/CCC-956 payments, including failure reasons.

**Note:** A separate notice will be published authorizing County Offices to certify and sign TTPP payments.

Disposal Date	Distribution
September 1, 2014	Tobacco State Offices; State Offices relay to applicable County Offices

## 1 Overview (Continued)

### B Purpose

This notice provides:

- instructions about accessing TTPP reports
- guidance about using the TTPP Assignment Report
- instructions for the TTPP Payment Register
- instructions for the TTPP Contract Status Report
- instructions for the Payment Status (Payment Reconciliation) Report
- guidance about TTPP payments subject to IRS backup tax withholding.

## 2 Action

### A County Office Action

The TTPP system will be available **only** on **February 12, 2104**, to allow County Offices to run reports from TTPP for payment verification. The following reports **must** be run from the Reports Selection Criteria menu **before** payments are to be certified and signed:

- TTPP Selection Register
- Contract Status Report
- Payment Status (Payment Reconciliation) Report.

County Offices shall:

- run the TTPP Assignment Report, available in FWADM, any time the week of **February 3, 2014**, but no later than **February 11, 2014**, to ensure that:
  - all assignments are established for the correct amount at the CCC-955/CCC-956 level
  - all assignees are loaded correctly in SCIMS
  - corrective action is taken through FSA Financial Services no later than **February 11, 2014**, if the CCC-955/CCC-956 number is missing or wrong and/or the assignment was established using FSN instead of the CCC-955/CCC-956 number

**Note:** If the County Office fails to take corrective action **before** the payment process occurs, the payment will get pushed to NPS and must be placed in a “Hold for Program Cancel”. The payment will be cancelled through the TTPP system at a **later** date according to instructions in a future notice.

2 Action (Continued)

A County Office Action (Continued)

- access **only** the “Reports” section of the TTPP system, **no other actions are allowed** without authorization from PSD
- run the TTPP Selection Register Report on **February 12, 2014**, using date range “**01/12/2013**” to “**12/31/2013**”, for all “Approved (AP)” CCC-955/CCC-956’s, to ensure that all new approved CCC-955/CCC-956’s that were created in 2013, and that will receive the first payment under TTPP, have been reviewed **before** issuing FY 2014 annual payments

**Note:** The last run date and the criteria entered are printed on the TTPP Selection Register Report. CED, or designee, shall sign and date the TTPP Selection Register Report to certify all FY 2014 payments on all new CCC-955/956’s created in 2013 have been reviewed.

- run the TTPP Contract Status Report on **February 12, 2014**, for all “Approved (AP)” and “In-Dispute (DI)” CCC-955/CCC-956’s, to ensure that all approved CCC-955/CCC-956’s that will receive a 2014 TTPP payment and payment eligibility have been reviewed **before** the FY 2014 annual payments are certified and signed

**Note:** CED, or designee, shall sign and date the Contract Status Report for “Approved (AP)” contracts to certify that all FY 2014 payments have been reviewed.

- run the Payment Status (Payment Reconciliation) Report on **February 12, 2014**, with a date range of “**02/11/2013 to 02/11/2013**” to identify CCC-955/CCC-956 payments that failed to pass to NPS and take appropriate corrective action according to 16-TB, subparagraphs 68 F and G.

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### 2 Action (Continued)

#### A County Office Action (Continued)

County Offices were instructed by their State Offices to submit CCC-955/CCC-956 numbers to the State Office for CCC-955/CCC-956's that need to be placed "**In Dispute (DI)**" and specify the reason code as shown in the following chart.

Reason Code	TTPP Reason Description
1	Deceased Contract Holder
2	Dissolved Entity or Deceased Partner
3	CCC-971 Transfer Needs To Be Processed
4	Erroneous Payment in Previous FY
5	BQL Issue
6	TIN Issue
7	Contract is in Appeal or Request for Relief
8	Other – Must Specify

If County Offices failed to carry out this action, or an action such as death of CCC-955/CCC-956 holder occurs after the batch payment process has run, the payment may be on the NPS worklist and will be cancelled. The payment will have to be designated as "hold for program cancel". The payment will be cancelled through the TTPP system at a **later** date according to instructions in a future notice.

CCC-955/CCC-956's placed "**In Dispute (DI)**" will be addressed at a later date with a future notice providing instructions after the TTPP system is available to process CCC-955/CCC-956 and payment maintenance.

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## 2 Action (Continued)

### B Payment Preparation Calendar

County Offices shall use the following Payment Preparation Calendar to know when to run specific reports for TTPP payments.

County Offices shall run the specified report as follows...			AND do the following...
Date	Report	Date Range	
Week of February 3, 2014, but no later than February 11, 2014	TTPP Assignment Report (available in FWADM)	Not applicable.	Verify all TTPP assignments for all years are listed (subparagraph 2 A).
February 12, 2014	TTPP Selection Register	"01/12/2013 to 12/31/2013"	Complete CCC-770 TTPP's for <b>all new</b> approved or replacement CCC-955/CCC-956's or CCC-971 resulting CCC-955/CCC-956's that have not received the first payment, <b>before</b> certifying and signing the FY 2014 payments.  <b>Note:</b> CED, or designee, shall sign and date to certify all FY 2014 payments have been reviewed.
February 12, 2014	Contract Status Report	Not applicable. Select " <b>All</b> " types of tobacco.	Review all " <b>Approved (AP)</b> " and " <b>In Dispute (DI)</b> " CCC-955/CCC-956's to ensure they are in the correct status <b>before</b> certifying and signing payments.  <b>Example:</b> CCC-955/CCC-956 held by a deceased producer, but is still in an " <b>Approved (AP)</b> " status. If the contract was not designated to be placed " <b>In Dispute (DI)</b> " then the County Office will have to place the payment in "hold for program cancel" in NPS.
February 12, 2014	Payment Status (Payment Reconciliation) Report	Select program year "2014" and ENTER " <b>02/11/2014 to 02/11/2014</b> ".	Review the report for " <b>Failed</b> " payments and take corrective action for TTPP payments that failed to pass to NPS according to 16-TB, subparagraphs 68 F and G.  <b>Optional:</b> Run the " <b>Passed</b> " payments to verify payments passed to NPS.

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### 2 Action (Continued)

#### C State Office Action

State Offices shall:

- ensure that County Offices follow the provisions of this notice
- contact the appropriate office listed in the following table, if there are questions about this notice.

Issue	Contact
Policies or procedures for TTPP payments.	Kelly Hereth by either of the following: <ul style="list-style-type: none"><li>• e-mail at <b>kelly.hereth@wdc.usda.gov</b></li><li>• telephone at 202-720-0448.</li></ul>
Policies or procedures on making IRS-mandated backup tax withholding in NPS.	Either of the following: <ul style="list-style-type: none"><li>• Jackie Pickens by either of the following:<ul style="list-style-type: none"><li>• e-mail at <b>jackie.pickens@wdc.usda.gov</b></li><li>• telephone at 703-305-1310</li></ul></li><li>• Nancy Chapman by either of the following:<ul style="list-style-type: none"><li>• e-mail at <b>nancy.chapman@kcc.usda.gov</b></li><li>• telephone at 816-926-6971.</li></ul></li></ul>
Policy or procedures for TTPP IRS backup tax withholding notifications.	Rhonda Anthony by either of the following: <ul style="list-style-type: none"><li>• e-mail at <b>rhonda.anthony@kcc.usda.gov</b></li><li>• telephone at 816-926-6251.</li></ul>
Software-related problems.	National Help Desk by telephone at either of the following: <ul style="list-style-type: none"><li>• 800-255-2434</li><li>• 816-926-1552.</li></ul> <p><b>Note:</b> Select option “3” for hardware and application software.</p>

## **Notice TB-1281**

### **3 TTPP Payments Subject to IRS Backup Tax Withholding**

#### **A TTPP Payments Subject to Backup Tax Withholding**

County Offices notified by Kansas City of producers identified by IRS as subject to the backup tax withholding of CCC-955/CCC-956's shall follow Notice FI-3186 to do the following:

- immediately set the "Other Agency Debt" flag for the producer in FSA Financial Services, Customer Profile according to Notice FI-3186
- FAX confirmation indicating the "Other Agency Debt" flag has been set for the producer according to Notice FI-3186.

A future notice will be published instructing the County Offices how to proceed with processing payments for CCC-955/CCC-956's subject to backup tax withholding.